



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

FOR IMMEDIATE RELEASE

Shana Jones, Special Assistant to US Attorney
Daryl Fields, Public Affairs Officer
610 N.W. Loop 410
San Antonio, Texas 78216
(210) 384-7452

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FORMER PRESIDENT AND CEO OF NOW DEFUNCT "EARFUL OF BOOKS" INDICTED

Yesterday a federal grand jury in Austin, Texas, returned a seventeen-count indictment charging 45-year-old Paul Adams Rush with Wire Fraud, Bank Fraud, Making False Statements Related to a Loan, and Money Laundering. He was arrested this morning by the FBI at his home in Wheaton, Illinois, where he now resides.

According to the indictment, the Defendant was the founder of Earful of Books, Inc., a company that centered upon the rental of audio books-on-tape. Defendant Rush was also the President and CEO of the company. Defendant Rush also served as the trustee of a trust that had been established by a friend and his wife for the benefit of the friend's children (The Trust). Beginning in January 2001 and continuing through April 2002, the Defendant carried out a scheme to unlawfully acquire cash and assets from The Trust and two Austin area banks for his own use and to fund the operating expenses of Earful of Books.

The indictment alleges that the defendant converted over \$500,000 from The Trust that was being held for the benefit of the children for his own use and that of Earful of Books. The Trust assets were being held by Northwest Mutual Insurance Company until the Defendant transferred the Trust's assets in early 2001.

It is further alleged that in late 2001 and early 2002, the Defendant also submitted a number of forged documents related to the renewal and acquisition of loans at City National Bank of Taylor and Village Bank and Trust in Lakeway. Specifically, Rush submitted forged guarantees and documentation related to the renewal of a \$600,000 loan and the acquisition of three other loans in the amount of \$350,000, \$250,000 and \$50,050 from City National. Similarly, he submitted fraudulent guarantees and documentation related to the acquisition of loans in the amount of \$250,000, \$33,846.17 and \$16,154.00 from Village Bank and Trust.

This case is being investigated by the Federal Bureau of Investigation and is being prosecuted for the government by Assistant United States Attorney Mark Lane.

An indictment is a formal accusation of criminal conduct, not evidence. A defendant is presumed innocent unless and until convicted through due process of law.

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